ALJ/LRR/gd2/avs/gd2 **PROPOSED DECISION** Agenda ID #12372 (Rev. 1)
Ratesetting
10/3/2013 Item 15

Decision **PROPOSED DECISION OF ALJ ROCHESTER** (Mailed 09/03/2013)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Authorization to increase its Revenues for Water Service by \$4,134,600 or 2.55% in the year 2011, by \$33,105,800 or 19.68% in the year 2012, by \$9,897,200 or 4.92% in the year 2013, and by \$10,874,600 or 5.16% in the year 2014.

Application 10-07-007 (Filed July 1, 2010)

And Related Matter.

Application 11-09-016

(See Appendix for a List of Appearances)

DECISION RESOLVING THE DRY CREEK SPECIAL FACILITIES FEES ISSUE

1. Summary

This decision grants the request of California-American Water Company (Cal-Am) to modify the Dry Creek Special Facilities Fee (SFF) area by excluding existing customers within the Dry Creek East Area, almost all customers in the Dry Creek West Area and all customers in Placer Vineyards. This decision also grants Cal-Am's request to establish a new SFF for the West Placer County Service Area based on revisions made to its filing as directed in this decision. The new SFF for the Sacramento District's West Placer County Service Area is based on \$10.95 million of construction costs, 2,551 Equivalent Dwelling Units, an allowance for funds used during construction (AFUDC) and post-construction

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carrying costs at the current and future Commission authorized rate of return, and a 5% annual increase in the SFF. This decision requires Cal-Am to file a Tier 2 Advice Letter to incorporate the modified Dry Creek SFF approved in this decision into its tariffs.

This decision also requires Cal-Am to file a Tier 1 Advice Letter to establish a Memorandum Account to track the SFF collected and the construction costs, AFUDC, and post-construction carrying costs at the Commission authorized pre-tax rate of return for new facilities in the West Placer Service Area of the Sacramento District.

This decision authorizes Cal-Am to recover peaking charges for 2005-2010, not-to-exceed \$797,913, from the purchased water account for the Sacramento District.

This proceeding is closed.

2. The Genesis of the Dry Creek Special Facilities Fee (SFF)

On February 28, 2002, California-American Water Company (Cal-Am) filed Application (A.) 02-02-030 requesting authorization to establish the Dry Creek SFF for residential development in the West Placer Service Area of Cal-Am's Sacramento District. The SFF was for anticipated new development in the area requiring a main extension. Tariff Rule 15 allows public utilities to seek advance payment from the first developer for the full costs of constructing the necessary facilities for new developments. Tariff Rule 15 also allows the first developer to seek contribution toward the costs from subsequent developers. Because the total initial cost for the facilities in this case, \$28 million, exceeded what the developers could afford, individually or collectively, the Commission issued Decision (D.) 02-06-054, which permitted Cal-Am to front the cost of the

facilities and receive contributions in the form of a "pay as you go" fee arrangement from the developers as they request water service from Cal-Am. At the time, Cal-Am's application anticipated 18,000 Equivalent Dwelling Units (EDUs) would be constructed in the Dry Creek SFF Area. The initial SFF of \$750 was calculated to eventually repay Cal-Am for its costs to construct the needed facilities.

Economic conditions have changed drastically in the 11 years since D.02-06-054 was issued and Cal-Am's optimistic growth projections from 2002 have been replaced with a much more conservative outlook.

3. Walerga Tank Project Background

Cal-Am's West Placer Service Area consists of approximately 1,000 customers and does not currently contain storage tanks, pumps, wells, booster stations or treatment plants. All water is purchased from the Placer County Water Agency and conveyed to connection points in the West Placer Service Area by a wheeling agreement between the City of Roseville and the Placer County Water Agency. The West Placer Service Area system experiences large swings in demand based on customer needs. The purchased-water agreement with the Placer County Water Agency includes a peaking charge of 10 times the normal rate when demand exceeds the parameters of the purchased water contract. In recent years Cal-Am has incurred peaking charges of between \$200,000 and \$400,000 per year in the West Placer Service Area.

The Walerga Tank Project is comprised of a 2.5 million gallon above-ground welded steel water storage tank, a 3,500 gallon per minute booster pump station, approximately 2,700 feet of pipeline and 14,500 feet of 16-inch and 24-inch transmission mains in the West Placer service area.

4. The Evolution of the Dry Creek/Walerga Tank Project SFF

In A.10-07-007, filed July 1, 2010, Cal-Am originally requested elimination of the Dry Creek SFF and Tariff, approval to include all plant, depreciation and contributions related to the Dry Creek SFF area in rate base for the Sacramento District and authorization for a new SFF applicable to all new customers in the West Placer Service Area. The application also sought authorization for construction of the \$6.75 million Walerga Tank Project and facilities. The new SFF was derived by dividing the detailed cost estimates of the total known projects and anticipated projects, adjusted to 2012 baseline (\$28 million), by the number of EDUs/potential customers (4,800). This resulted in the new SFF of \$5,850 per EDU in the West Placer Service Area of Cal-Am's Sacramento District.¹

In supplemental testimony filed January 20, 2012, Cal-Am adjusted the project costs downward to \$12.25 million, the number of EDUs to 2,551 and arrived at yet another SFF of \$6,000. The adjusted EDUs were derived by excluding existing customers within the Dry Creek East Area, almost all customers in the Dry Creek West Area and all customers in Placer Vineyards.² The downward adjustment of the project costs is a result of Cal-Am's review of the infrastructure needed to provide water service to a smaller Dry Creek service area and an analysis of actual pipeline costs from the last quarter of 2011. However, the new SFF of \$6,000 is not derived by the simple mathematics of

¹ Exhibit CAW-14, Attachment 5.

² Exhibit CAW-72, Attachment 2.

dividing the adjusted project costs by the adjusted number of EDUs. That calculation yields a SFF of \$4,802.

Cal-Am's stated explanation for the \$6,000 SFF is that it includes AFUDC, and carrying costs accruing at the authorized pre-tax rate of return.³ In addition, Cal-Am requests that the SFF be increased each year by 5% on January 1st, until such time as Cal-Am collects contributions sufficient to offset the capital investment of this project and the deferred revenue requirements related to the capital investments. Once sufficient contributions are received to offset the investment and related revenue requirements, Cal-Am will cease charging the SFF to new connections.

In its March 16, 2012 rebuttal to the testimony of Towne Development of Sacramento (Towne), Cal-Am reduced its cost of the 16 inch diameter pipeline planned for Vineyard Road by \$1.3 million. This brought the total project costs down to \$10.95 million and the new and final SFF requested by Cal-Am to \$5,897.

The \$5,897 includes the AFUDC and rate of return components of the earlier January 20, 2012 calculations.

5. The Division of Ratepayer Advocates (DRA) Analysis

DRA's analysis of Cal-Am's request supports Cal-Am's proposed adjusted SFF area and the newly proposed SFF that includes carrying costs and rate of return treatment, stating that it reflects the current project cost estimates and the

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³ *Id.*, at 6.

current anticipated levels of development. Cal-Am's current proposals are quite similar to the terms of a settlement agreement between Cal-Am, DRA, and The Utility Reform Network (TURN) that was submitted earlier in the proceeding. The Settlement Agreement was not adopted and the issue was placed into Phase 2 of the proceeding to allow the developers who are not ratepayers, but who are nonetheless affected by the outcome of this proceeding to participate.⁴

DRA's primary concern is that new customers pay for the facilities necessary to serve the new growth and that no portion of the Walerga Tank Project be included in the revenue requirement for the Sacramento District.

6. Towne's Suggested Adjustments

Towne's testimony proposed adjustments to the costs of the Walerga Tank Project and the new transmission mains and pipelines, and suggested including additional EDUs in the SFF. Overall, Towne's proposals result in a reduced SFF. Towne's suggested adjustments focused on:

 Adjusting the Walerga Tank Project's 16 inch pipeline to eliminate 1,500 feet that begin at the southern boundary of the Dry Creek County Park and extends to South PFE Road;

⁴ A.02-02-030, the application leading to D.02-06-054 adopting the initial Dry Creek SFF, was served on the 5 affected developers. A.10-07-007 was not served on the five affected developers. Notice of a rate increase application is only required to be served directly on utility customers and published in local newspapers. Cal-Am's service was proper, but Towne did not find out about the requested increase until late in the proceeding.

- Reducing the installed unit cost of the 16 inch diameter pipeline planned for Vineyard Road from \$400 per linear foot to \$200 per linear foot;
- Reducing the diameter of the transmission main beginning at the intersection of Duffy Road and PFE Road and continuing West to the intersection of Walerga Road and PFE Road from 24 inches to 16 inches;
- Reducing the length of the 24 inch diameter transmission main in PFE Road by 500 feet;
- Reducing the installed unit price per foot of pipeline from \$400 to \$200 on the PFE Road transmission main;
- Increasing the number of EDUs to include all of Riolo Vineyards and the 948 existing customers in Dry Creek East;
- Reducing the size of the storage tank;
- Splitting the SFF area into two pressure zones to account for the differing benefits accruing to distinct groups of customers within the SFF service area boundary; and,
- Allocating costs of the Walerga Tank Project based on benefits to customers both within and outside of the SFF area.

Cal-Am disagrees with all of Towne's suggested adjustments but one. Cal-Am agrees that the installed unit cost of the 16 inch diameter pipeline for Vineyard Road be reduced from \$400 per linear foot to \$200 per linear foot. This adjustment reduces Cal-Am's overall facilities' cost by \$1.3 million to \$10.95 million.

Cal-Am responded to each of Towne's other proposed adjustments, specifically reaffirming that the Walerga Tank Project costs do not include a 1500 foot segment of pipeline that Towne sought to have removed from the calculation. However, under cross-examination Cal-Am's witness Shubert

agreed that an adjustment should be made to the project costs to reflect that approximately 1,500 feet of pipeline is already in place.⁵

Cal-Am also states that the transmission main beginning at the intersection of Duffy and PFE Roads and continuing to Walerga and PFE Roads is adequately sized to provide uninterrupted service. Cal-Am states that Towne's proposed change would leave Cal-Am's West Place Service Area customers vulnerable in the case of an outage at the interconnection with the Placer County Water Agency located along Baseline Road. Cal-Am asserts that the 24 inch transmission main provides the ability to fill and pump out of the Walerga Tank Project from the south, while ensuring the entire West Placer Service Area continues to receive adequate and reliable water service. Cal-Am reminds Towne that, although new customers bear the construction costs, it is prudent and typical to size a project to anticipate needs of existing and future customers as well. Cal-Am also reminds Town that its planned development will benefit from the SFF paid by existing Dry Creek customers for the 16 inch and 24 inch diameter transmission mains currently installed in PFE Road and Cook-Riolo Road.

Cal-Am also reaffirms that there is not 500 feet of extra main included in the calculation and asserts that the current estimated 6,500 feet of transmission main may actually be an underestimate. Cal-Am lists several factors such as vertical and horizontal changes in alignment, crossing under storms drains,

⁵ RT 1383: L 5-18.

rights-of-way routing and rolling terrain that may require more pipe than currently estimated.

Cal-Am believes the \$400 per linear foot construction price for the PFE Road transmission main is correct as this particular pipeline has specific requirements that support the estimated price. The routing includes creek crossings and adjacent wetlands that require environmental mitigation measures. Placer County is also likely to require traffic control measures as well as "grind and overlay" to the centerline of the road as part of construction. According to Cal-Am, the \$400 per linear foot construction costs takes these conditions into account.

Cal-Am supports its request to exclude the 1242 Riolo Vineyard EDUs by explaining that it does not have an exclusive right to serve the potential customers in this service area. Cal-Am asserts that even if it were asked to provide service in the area to the EDUs, it would likely require additional transmission mains which are not included in the current calculation of the SFF. Cal-Am also points out that requiring the existing 948 Dry Creek customers to contribute to the new SFF would amount to retroactive ratemaking.

Cal-Am claims that Towne's proposal to split the SFF area into two pressure zones is not in the best interest of existing and future customers because the transmission mains proposed to be located within the Walerga Road and PFE Road area will benefit all the customers within the entire SFF service area. Cal-Am believes the Walerga Tank Project will provide fire-flow and pressure equalization storage volume for the entire SFF service area and the transmission mains will help transfer water to and from the Walerga Tank Project throughout the service area during periods of average and peak demand. Cal-Am supports the size of the Walerga Tank Project with the same rationale.

7. Discussion

We understand that the SFF increase from \$750 per EDU to almost \$6,000 per EDU is significant and it is normal for the parties affected by this change to search for ways to reduce the impact. We have reviewed Towne's suggested adjustments and Cal-Am's responses. While Towne's analysis is detailed and comprehensive, it fails to consider several important components of water infrastructure expansion. First, Tariff Rule 15 requires 100% contribution from new customers for the costs of new facilities unless it can be shown that more than 50% of the new facilities benefit existing customers.

In this case, it is true that existing customers currently pay annual peaking charges ranging from \$200, 000 to \$400,000 that will be eliminated by the Walerga Tank Project, and that the tank will provide equalized pressure to the whole system throughout the day and meet fire flow requirements benefitting all customers within the system. However, it is difficult to parse the cost of new facilities and allocate them among customer classes according to the percentage of benefit received, especially when all customers benefit to some degree. Even by Towne's own account, less than 50% of the Walerga Tank Project will benefit existing customers. Still, Cal-Am's witness Shubert agreed that the Walerga Tank Project costs should be adjusted to account for the 1,500 feet of pipeline already in place. We agree and will use Towne's calculations to reduce the total project costs by \$300,000 to \$10.65 million

Second, Towne's proposals ignore the inherent economic wisdom in the reasonable up-sizing of new facilities to accommodate existing customers and in anticipation of future growth. As Cal-Am stated, Towne will benefit from the SFF paid by existing Dry Creek customers for the 16 inch and 24 inch diameter transmission mains currently installed in PFE Road and Cook-Riolo Road. This

is not a new concept. The first customers bear the costs of facilities that also benefit the next wave of new customers, and so on. In fact, Towne could be facing a higher SFF if the existing Dry Creek development had been allowed to pay a SFF based only on the construction of the facilities needed to serve them, as Towne is requesting.

Cal-Am is responsible for ensuring that its existing and future customers have access to safe, adequate and reliable water service. With that in mind, we find Cal-Am's revised SFF area and its request to increase its SFF reasonable. However, we require some adjustments to Cal-Am's calculation of the SFF.

8. Calculation of the SFF

Attachment 1 of Exhibit CAW-73 includes a spread sheet that calculates the SFF based on the construction costs, number of EDUs, a 5% annual increase, AFUDC and post-construction carrying costs at the Commission authorized rate of return. We make the following adjustments to Cal-Am's calculation:

- Cal-Am's construction costs of \$10.95 million should be reduced by \$300,000 to reflect the 1,500 feet of pipeline for the Walerga Tank Project that is already in place;
- Cal-Am's calculation should include a development profile beginning January 2014 through 2027;
- The construction costs will be amortized over the same 5-year timeframe, but starting in January 2014;
- AFUDC will be included in the SFF calculation starting January 1, 2014 at Cal-Am's authorized pre-tax rate of return;
- The first annual 5% increase to the SFF will occur on January 1, 2015; and
- The SFF will include carrying costs at Cal-Am's Commission authorized pre-tax rate of return, starting January 1, 2019.

We require that Cal-Am file a Tier 1 Advice Letter to establish a Memorandum Account (MA) to track the construction costs and the SFF collected. The MA should be resolved as part of a future general rate case (GRC) and any over collection would be treated as a credit against the Sacramento District's rate base. Finally, costs of the new facilities in the West Placer Service Area should not affect the Sacramento District rate base or revenue requirement.

9. Peaking Charges

In its application, Cal-Am initially sought \$1,390,089 in Placer County Water Agency peaking charges for 2005-2010. DRA requested the Commission deny Cal-Am's request. After a DRA audit and Cal-Am revisions, DRA agrees that Cal-Am be allowed to recover peaking charges of \$797,913 already included in 2011 rates and based on adoption of Cal-Am's request in this application, that Cal-Am not recover any peaking charges after January 1, 2012. Due to the construction of new facilities including the Walerga storage tank and the SFF approved in this decision, we find Cal-Am's recovery of \$797,913 in peaking charges for 2005–2010 reasonable. Cal-Am will not recover peaking charges incurred after January 1, 2012.

10. Background

On July 1, 2010 Cal-Am filed its first statewide GRC for the years 2011 through 2014. On December 12, 2011, a revised scoping memo was issued establishing a Phase 2 of the proceeding. The revised scoping memo placed

several issues,⁶ including rate design for all districts and the Walerga SFF in Phase 2. The revised scoping memo also consolidated A.11-09-016, the Cal-Am application for a service connection moratorium in its Larkfield District, with GRC A.10-07-007 and placed the issue in Phase 2 of this proceeding.

On June 14, 2012, D.12-06-016 adopting a revenue requirement for all of Cal-Am's districts for years 2012, 2013, 2014, and 2015.⁷ The decision also denied a joint motion by Cal-Am and the Natural Resources Defense Council (NRDC) to adopt a settlement regarding an increase to the low income surcredit. The issue was moved into Phase 2 of this proceeding.

All parties to the proceeding received notice of a settlement conference. On July 19, 2012, Cal-Am, DRA, TURN, and NRDC filed a motion to adopt a settlement⁸ on rate design to generate the revenue requirement adopted in D.12-06-016. There were no comments on or protests to the settlement. The Commission issued D.12-11-006 on November 14, 2012, adopting the rate design settlement.

On September 5, 2012, Cal-Am, DRA, and NRDC filed a motion to adopt a settlement to increase the low-income sur-credit for water service to 20%. There were no comments on or protests to the settlement.

⁶ Phase 2 of the proceeding also includes the review of the Water Revenue Adjustment Mechanism (WRAM) currently in place in some of Cal-Am's districts and whether a WRAM should be adopted for the Sacramento District.

⁷ http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/168807.PDF

⁸ http://docs.cpuc.ca.gov/PublishedDocs/EFILE/MOTION/171526.PDF

⁹ http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M027/K380/27380695.PDF

On December 10, 2012 Cal-Am, the County of Sonoma (Sonoma) and the Mark West Area Community Services Committee (Mark West) filed a motion to adopt a settlement on a service connection moratorium trigger mechanism for the Larkfield District.¹⁰ There were no comments on or protests of the settlement. On April 18, 2013, the Commission issued D.13-04-019, adopting the proposed settlements to increase the low-income surcredit and to adopt a service connection moratorium trigger mechanism for the Larkfield District.

On April 3, 2012, an evidentiary hearing was held on the Dry Creek SFF in Cal-Am's Sacramento District's West Placer Service Area.

A complete description of Cal-Am's service territory and the full procedural background of this proceeding are contained in Sections 9 and 10 of D.12-06-016, the revenue requirement portion of this proceeding.

11. Comments on Proposed Decision

The proposed decision of Administrative Law Judge (ALJ) Linda A.

Rochester in this matter was mailed to the parties in accordance with

Section 311 of the Public Utilities Code and comments are allowed pursuant to

Rule 14.3 of the Commission's Rules of Practice and Procedure.

Opening comments were filed by Cal-Am and Towne on September 23, 2013, and reply comments were filed by Cal-Am and DRA on September 30, 2013. All comments were considered and changes were made as appropriate.

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¹⁰ http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M039/K002/39002489.PDF

12. Assignment of Proceeding

Michel P. Florio is the assigned Commissioner and Linda A. Rochester and Douglas M. Long are the assigned ALJs in this proceeding. This decision resolves the final issue in Phase 2 of the proceeding. This portion of the proceeding was submitted on August 28, 2013. This proceeding is closed.

Findings of Fact

- 1. D.02-06-054 allowed Cal-Am to front the costs of constructing facilities to serve new development in the West Placer Service Area of its Sacramento District. Cal-Am would be reimbursed via an SFF paid by the developers as they requested water service.
- 2. The initial SFF for the newly created Dry Creek SFF Area of the West Placer Service Area was \$750.
- 3. On July 1, 2010, Cal-Am filed an application that included a request to eliminate the Dry Creek SFF, construct the Walerga Tank Project and create a new SFF of \$5,850 based on estimated overall costs of \$28 million and a reduction in the number of anticipated EDUs to 4,800.
- 4. On January 20, 2012 Cal-Am filed Supplemental Testimony that revised the requested SFF to \$6,000 based on decreased construction costs of \$12.25 million and a reduction in the number of anticipated EDUs to 2,551.
- 5. On March 9, 2012, Towne filed its direct testimony proposing adjustments to the construction material size and cost of the new facilities and to the number of EDUs included in Cal-Am's application and Supplemental Testimony.
 - 6. DRA supports Cal-Am's proposed new SFF service area and SFF.
- 7. In Rebuttal Testimony filed by Cal-Am on March 16, 2012, Cal-Am revised its SFF to \$5,897 when it agreed to Towne's \$1.3 million reduction of the

Vineyard Road pipeline cost to \$10.95 million. Cal-Am disagrees with all other Towne proposals.

- 8. Under cross-examination, Cal-Am witness Shubert agreed that the Walerga Tank Project costs should be adjusted to account for the 1500 feet of pipeline already in place.
- 9. Towne's proposals do not comport with Tariff Rule 15 which states that the cost of new facilities should be borne by the development causing the new facilities unless existing customers benefit by more than 50%.
- 10. Existing Dry Creek customers will receive less than 50% of the benefit from the Walerga storage tank and other construction projects.
- 11. Cal-Am is responsible for ensuring that its existing and future customers have access to safe, adequate and reliable water service.
- 12. Reasonable upsizing of new facilities is practical since it provides the necessary facilities for existing and future customers.
 - 13. Cal-Am seeks to recover \$797,912 in peaking charges for 2005 to 2010.
- 14. DRA supports Cal-Am's request to recover \$797,912 in peaking charges for 2005 to 2010. DRA requests that Cal-Am not be allowed to recover peaking charges incurred after January 1, 2012.

Conclusions of Law

- 1. Cal-Am's revised West Placer Service Area is reasonable and should be adopted.
- 2. Reducing the Walerga Tank Project costs by \$300,000 to account for 1,500 feet of pipeline already in place is reasonable.
- 3. Cal-Am's new SFF is reasonable, as calculated according to the directions in Section 8 of this decision, and should be adopted.

- 4. Cal-Am's new SFF area and fee ensures existing, new and future customers in the service area have access to safe, adequate and reliable water service.
- 5. With the exception of the \$1.3 million reduction to the costs of the Vineyard Road pipeline, Towne's proposed changes to the costs and size of materials for the Walerga storage tank and associated facilities are not reasonable and should not be adopted.
- 6. Cal-Am's request to recover \$797,912 in peaking charges for 2005 to 2010 is reasonable.
- 7. DRA's request that Cal-Am not be allowed to recover peaking charges incurred after January 1, 2012 is reasonable.

ORDER

IT IS ORDERED that:

- 1. California American Water Company is authorized to revise its Dry Creek Special Facilities Fees area to the existing West Placer Service Area in its Sacramento District.
- 2. California-American Water Company (Cal-Am) is authorized to file by Tier 2 Advice Letter, revised tariff schedules reflecting the new West Placer special facilities service area and Special Facilities Fees (SFF) calculated according to the instructions in Section 8 of this decision. The Advice Letter filing should be accompanied by an Excel spread sheet that incorporates the construction costs of \$10.65 million, 2,551 equivalent dwelling units (EDUs), an allowance for funds used during construction (AFUDC) and post-construction carrying costs that are equal to Cal-Am's currently authorized pre-tax rate of return. The AFUDC will start on January 1, 2014. The construction timeframe will be five years. The post

construction carrying costs will start January 1, 2019. The SFF will increase annually by 5% starting January 1, 2015. The development profile for the 2,551 EDUs should begin January 2014 and continue through December 2027. This filing shall be subject to approval by the Commission's Division of Water and Audits. The revised schedules shall be effective no earlier than five days after the effective date of this decision, and shall apply only to new service requests made after the effective date of the tariff schedule.

- 3. No later than five days after the effective date of this decision, California-American Water Company shall file a Tier 1 Advice Letter establishing a Memorandum Account (MA) to track the construction costs, allowance for funds used during construction and post construction carrying costs at the Commission's authorized pre-tax rate of return, and the Special Facilities Fees collected from developers in the West Placer County service area of the Sacramento District. The MA should be resolved as part of a future general rate case and any over collection must be treated as a credit against the Sacramento District's rate base.
- 4. California-American Water Company (Cal-Am) is authorized to file a Tier 1 Advice Letter to recover peaking charges of \$797,912 from its purchased water account for the Sacramento District for 2005 to 2010. Cal-Am may not recover peaking charges incurred after January 1, 2012.

APPENDIX

****** SERVICE LIST *******

Last Updated on 23-SEP-2013 by: JVG A1007007 LIST A1109016

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